# HUSKY-PORTS AMERICA WASHINGTON MARINE TERMINAL COOPERATIVE WORKING AGREEMENT

FMC Agreement No. 201240

A Marine Terminal Cooperative Working Agreement

Expiration Date: [None]

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ARTICLE 1: <u>FULL NAME OF AGREEMENT</u>

This Agreement shall be known as the Husky-Ports America Washington Marine Terminal

Cooperative Working Agreement ("Agreement").

ARTICLE 2: PURPOSE OF AND NEED FOR THE AGREEMENT

The purpose of this Agreement is to promote the most efficient use of port and terminal

assets and resources by permitting the Parties (as defined below) to discuss, negotiate, and enter

into agreements (between or among the Parties and with third parties) that rationalize, schedule,

and otherwise relate to the use of the Parties' wharves, berths, cargo handling equipment, facilities,

data, and other properties and assets, to cooperate and coordinate with each other, and to enter into

agreements related to any of the foregoing, including exchange of information and data, all to

improve efficiency and save costs while directly and indirectly benefiting the shipping public.

ARTICLE 3: PARTIES TO THE AGREEMENT/GEOGRAPHIC SCOPE

The Parties to this Agreement (each a "Party" and together the "Parties") are marine

terminal operators as defined in the Shipping Act of 1984, as amended (the "Shipping Act"), 46

U.S.C. § 40102(14). Each Party operates public wharves and other marine terminal facilities in

connection with ocean common carriage.

This Agreement covers services and activities of the Parties at the respective terminals

operated by the Parties in the Port of Tacoma, Washington, as established under the laws of the

State of Washington (the "Port").

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The Parties are identified in Appendix A.

ARTICLE 4: SCOPE OF AGREEMENT/AGREEMENT AUTHORITY

4.1 Authority.

(a) The Parties are authorized to meet together, coordinate, cooperate, consult, discuss,

reach agreement, and implement, or effectuate agreements (including subcontracting arrangements

between or among the Parties), and take such other actions as may be authorized herein to further

the Purpose of this Agreement (Article 2). This authority includes authorization to exchange

information, discuss, and agree upon matters relating to cargo moving in the foreign commerce of

the United States concerning:

1. Operational matters related to the interchange of cargo, chassis, and

containers with motor carriers and/or rail carriers, including security (including physical and cyber

security), data and privacy compliance, access control, gate rules, appointment systems, turn times,

truck idling, on-terminal equipment use and/or storage, measures to reduce vehicle congestion at

terminals and surrounding areas, demurrage, detention, billing, compliance with

interchange/leasing arrangements, indemnification and limitations of liability, and resolution of

disputes and complaints, other compliance and related issues, and costs relating to any authority

provided for in this Agreement;

2. Matters involving or affecting peak and off-peak operations and efficiency

and operational matters (including true-up costs and assessments among the parties, but not

specific fees or charges assessed against third parties) concerning the cost recovery of any related

measures;

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3. The implementation and/or administration of measures with respect to the

operation of marine terminals mandated or established by the Port, federal, state, or local

governments, or other governmental authorities or agencies, including standards and criteria for

cargo interests, inland carriers, or others seeking access to port or marine terminal facilities, and/or

operational matters concerning the imposition of fees (other than fees addressed pursuant to a

conference agreement) on users of marine terminals, in connection with programs for the reduction

of air or other pollution attributable to activities in and around marine terminals and compliance

with federal, state, local, and port standards for the environment, emissions levels, and measures

designed to achieve such standards. In furtherance of this objective and without limiting their

authority with respect to same, the Parties are authorized to:

(i) Meet, discuss, and exchange information among themselves and/or with

federal, state, and local governments, port authorities, ports, ocean carriers, rail and truck carriers,

equipment manufacturers and providers, and others regarding activities or conditions impacting or

relating to environmental issues, including the establishment of programs to minimize the

environmental impact of port and terminal operations and measures to implement and enforce such

programs; measures to meet or implement mandatory or voluntary port or other legal or regulatory

requirements with respect to air quality at the Port, including any clean air action plan promulgated

by the Port; measures to promote the purchase or use of newer and/or more environmentally-sound

equipment in or near the Parties' terminals, including truck or engine replacement programs;

(ii) Reach agreement among themselves on positions with respect to any matter

within the scope of this Article and communicate such positions to the relevant authorities; and

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(iii) In connection with implementing, maintaining, and/or administering any or

all aspects of any programs described in this Article and established or mandated by federal, state,

or local governments, the Port, or other governmental authorities or agencies, discuss, and agree

upon procedures, practices, terms, conditions, and other measures at the Port, including: standards

and criteria for user access to marine terminal facilities; operational matters concerning the

imposition or collection of fees (other than fees addressed pursuant to a conference agreement) on

users of marine terminals; seeking or providing sources of funds; seeking, obtaining, and

administering loans or grants from federal, state, and local governments and government agencies,

ports and port authorities, quasi-governmental entities, and other sources to help fund such

programs; the development of databases to be used in administering or implementing any or all

aspects of any of the foregoing; and the recovery of the costs and distribution of funds;

4. The improvement of Port and cargo security and compliance with federal,

state, local, and other standards with respect to same. In furtherance of this objective and without

limiting their authority with respect to same, the Parties are authorized to:

(i) Meet, discuss, exchange information, and reach agreement among

themselves and/or with federal, state, and local governments, Port authorities, ocean carriers, rail

and truck carriers, equipment manufacturers and providers, cargo interests, and other interested

parties regarding port and cargo security issues at the Port; and

(ii) Discuss, agree upon, and implement measures to acquire, test, deploy,

operate, and upgrade transportation worker identification credential ("TWIC") technology and

other port and cargo security technology (including hardware, software, and databases) at the Port,

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and to seek, obtain, and administer grants from federal, state, and local governments and

government agencies, quasi-governmental entities, and other sources to help fund such

technology-related activities; and

5. Compliance with statutes, regulations, practices, standards, and other

similar issues and matters, including the Shipping Act, Federal Motor Carrier Safety Regulations,

state motor vehicle safety regulations approved by the Department of Transportation, International

Maritime Organization requirements, and other international health, safety, security, and

environmental requirements, practices, and issues, the Maritime Transportation Security Act of

2002 (and as it may be amended), United States Coast Guard rules and regulations, and other

current or future regulations and any changes or amendments to any of the foregoing.

4.2 <u>Service Cooperation</u>. In furtherance of the authorities set forth in Article 4.1, the

Parties are authorized to engage in the following activities, subject to any applicable filing

requirements:

(a) Consult and agree upon any matters set forth in Article 4.1;

(b) Consult and agree upon the allocation and use of equipment, chassis, resources,

and services for efficient and competitive service levels, including an allocation among the Parties

of an agreed portion of any revenue or costs to true up the Parties' respective costs and

contributions;

(c) Consult and agree upon joint contracting for the purchase, ownership, lease, or

operation of equipment, facilities, and any services related to such equipment or facilities;

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(d) Consult and agree upon any temporary measures and adjustments in response to

any changes in market conditions, including seasonal, force majeure, and similar issues and

circumstances;

(e) Establish and maintain such standing or ad hoc committees as the Parties deem

necessary or appropriate to consider, review, make, and implement administrative, accounting,

operational, and policy decisions relating to the matters within the scope of the Agreement. The

Parties may also establish and maintain one or more Agreement coordination offices, titles,

positions, or combinations thereof to maximize the efficiency of the Parties' efforts and the related

services within the scope of this Agreement (collectively, a "Coordinator"). Each Coordinator

shall be authorized to perform day-to-day management, administrative, data and information

collection and analysis, service coordination, contract negotiation and coordination, financial

audit, review, and settlement, service inspection and observation, long-term planning, and other

functions related to the Purpose of this Agreement, and each Party may embed a Coordinator in

the other Party's office; and

(f) Meet, discuss, confer, and agree regarding any matter authorized by this Agreement

for the purpose of determining positions to take in any conference to which the Parties both belong.

4.3 Data and Information Collection.

(a) The Parties are authorized to collect, obtain, compile, maintain, analyze, and

develop operational data, records, statistics, studies, compilations, consultancy reports, forecasts,

projections, know-how, and information regarding customers, assets, leases, and providers

(collectively "Data") and to exchange, compile, maintain, analyze, and develop such Data, subject

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to any applicable confidentiality clause. The Parties are authorized to consult, meet, discuss, and

agree on any matter regarding the authority described in this Article 4.3.

4.4 Discussion and Exchange of Information. In furtherance of the authorities set forth

in Article 4.1, the Parties are authorized to meet as appropriate to discuss and exchange information

regarding the following subjects:

(a) Joint or independent acquisition and utilization of marketing materials for

individual ocean common carriers and collections of carriers (conferences, alliances, joint services,

carrier networks, and other agreements to which ocean common carriers are parties) (all such

entities collectively "Carriers"), shippers, beneficial cargo owners, and ocean transportation

intermediaries;

(b) Commercial opportunities regarding Carriers. This includes vessel calls and

rotations, operational efficiencies, cost reductions, the changing shipping environment, large ship

operations, supply-chain technology, stevedoring, gate, rail and yard operations, warehousing,

safety and security, customer service, and new product lines;

(c) Joint or independent acquisition, utilization, and best practices relating to operating

systems and equipment, including operational metrics relating to the repair and use of chassis and

containers, provided that this Agreement does not cover discussions regarding the purchase or

lease prices for containers or chassis;

(d) Cargo handling practices and terms, gate operations and access, turn times, staffing,

and infrastructure;

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(e) In addition, the Parties are authorized jointly to meet with and exchange

information with Carriers, shippers, other marine terminal operators, beneficial cargo owners, and

ocean transportation intermediaries regarding operational issues and performance criteria at the

Port; and

(f) Nothing contained in this Article 4 permits the Parties to exchange or share non-

public information that is subject to a confidentiality agreement or restriction prohibiting or

restricting such sharing or exchange.

4.5 Rights and Liabilities. The Parties are authorized to discuss and agree on their

respective rights; fair and reasonable allocation of liabilities among the Parties; apportionment of

damages; satisfaction of claims; procurement of insurance and management of claims thereunder;

and indemnities for activities under this Agreement; matters pertaining to cargo loss or damage,

damage or loss to containers or other equipment, schedule or delivery delays; loss or damage to a

vessel; accidents; hazardous, dangerous, breakbulk, or oversized cargo, loss or damage caused by

cargo, damage to persons or property; failure to perform; force majeure; and any other liability

among the Parties or to third parties.

4.6 Implementing. The Parties are authorized to meet, confer, discuss, and negotiate

and enter into any implementing arrangements, writings, understandings, procedures, and

documents that are within the scope of this Agreement and any of the foregoing that may be

ordinary and necessary to fulfill the Purpose of this Agreement, including authorization to:

(a) Meet, individually or collectively, with users (including inland carriers, ocean

common carriers, and/or cargo interests), government agencies and officials, and others to discuss

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and attempt to reach a consensus with respect to the development, implementation, and

administration of the authorities contained in this Agreement;

(b) Agree upon and undertake the formation, management, financing, administration,

and operation of any business or businesses incidental to or permissible under the authority of this

Agreement; evaluate, grant, deny, cancel, and administer credit to customers of the Parties; receive

from and/or distribute to any or all of the Parties confidential financial, credit, creditworthiness,

and payment data or other information regarding carriers, shippers, consignees, or other persons

obligated to pay any charge or fee owed or due to a Party or determining creditworthiness;

reporting to the Parties regarding same; and/or otherwise implement the Parties' decisions,

including the authority to subcontract any responsibilities to third-party vendors. The Parties

themselves may also directly exercise any of the above authority;

(c) Agree upon and establish procedures for implementing and administering any

agreement reached hereunder with respect to the authorities contained in this Agreement, which

procedures may be set forth in an appendix hereto and/or one or more marine terminal schedule(s);

and

(d) Agree upon and establish procedures for monitoring compliance with agreements

entered into hereunder pursuant to the authorities contained in this Agreement and remedies for

breach of such agreements.

4.7 Joint Development. The Parties are authorized to consult, discuss, and agree on the

terms and conditions of joint research, development, implementation, interchange, licensing, and

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use of documentation, data, technology, and other systems and practices and computerization,

communications, software, and related requirements or improvements.

4.8 Related Work and Matters. The Parties are authorized to meet, discuss, and agree

upon any matters regarding any concepts, know-how, data, software, and other second generation

products or ideas of the activities and discussions authorized by this Agreement and to develop

and implement agreements related thereto.

4.9 Limitations and Filing Requirements. Nothing contained herein shall be construed

as extending antitrust immunity to any non-party, including those non-parties specifically excluded

from the Shipping Act's antitrust limitations in 46 U.S.C. § 40307(b)(1). Implementation of any

agreements between the Parties or with third parties shall be subject to the filing and effectiveness

requirements of the Shipping Act and the Federal Maritime Commission's implementing

regulations, to the extent applicable.

ARTICLE 5: <u>ADMINISTRATION AND DELEGATION OF AUTHORITY</u>

This Agreement will be administered by the Parties through their respective Chief

Executive Officer/Executive Director or individuals delegated by the Parties' respective Chief

Executive Officers/Executive Directors. The activities may be carried out by face-to-face meeting,

telephone or video conference, electronic mail or other electronic communication, or such other

means of communication as the Parties may deem appropriate. The Parties may establish such

committees as they deem appropriate for furtherance of the purposes of this Agreement.

The Parties' respective Chief Executive Officers, or their delegates, are authorized to

execute this Agreement and any subsequent amendments hereto on behalf of the Parties, and to

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make or authorize the filing of this Agreement and any subsequent amendments with the Federal

Maritime Commission, as well as the filing of minutes of discussions covered by this Agreement

as and when required by 46 C.F.R. § 535.704.

ARTICLE 6: **VOTING** 

Except as specifically otherwise provided hereunder, all matters relating to this

Agreement shall be by mutual agreement of the Parties.

**ARTICLE 7: CONFIDENTIALITY** 

The Parties agree and understand that all information exchanged under this Agreement may

contain non-public, confidential business information, and trade secrets. The Parties shall treat all

non-public information exchanged pursuant to this Agreement as confidential. The Parties

recognize that such confidentiality may be limited by legal requirements applicable to one or both

Parties under federal, state, or local law.

The confidential information of each Party shall remain the property of the Party despite

being shared with the other Party. In the event either Party elects to terminate this Agreement, both

Parties will return, or certify the deletion and/or destruction of, any confidential information

received from the other Party under this Agreement. The obligations under this Article survive

the termination of the Agreement.

ARTICLE 8: EFFECTIVE DATE, DURATION, AND TERMINATION

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This Agreement will become effective on the date it becomes effective under the Shipping

Act, and will remain in effect indefinitely. Either of the Parties may terminate this Agreement at

any time upon thirty (30) days prior written notice to the other Party at the address set forth herein.

**ARTICLE 9: AMENDMENTS** 

The terms of this Agreement may be amended by mutual agreement of the Parties. Such

amendments shall be in writing, signed by the Parties, and to the extent required under the Shipping

Act, shall be filed and shall become effective as provided in the Shipping Act and applicable

regulations.

**ARTICLE 10: NOTICES** 

Any notice permitted or required under this Agreement shall be in writing and served on

each Party at the address set forth herein (or such other address as may be designated by the Party),

either by electronic delivery, first class certified mail, return receipt requested, or by overnight

delivery service.

ARTICLE 11: COUNTERPARTS

This Agreement and any future amendment hereto may be executed by the Parties' duly-

authorized representatives in multiple original counterparts. Each counterpart shall be deemed an

original, and all together shall constitute one and the same agreement.

ARTICLE 12: <u>LAW AND MEDIATION</u>

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This Agreement shall be governed by, and construed in accordance with, U.S. Maritime

law, including the Shipping Act, and to the extent any matter is not addressed thereby, by the laws

of the State of Washington. In case of a dispute arising under or relating to this Agreement, the

Parties agree to attempt to settle the dispute amicably through non-binding mediation before

bringing any action. A Party may invoke mediation by submitting a written notice to the other

Party. The Parties will attempt to agree on a mediator within ten (10) days of the written notice

and mediation will conclude within 30 days of the written notice unless the Parties agree to an

extension of mediation.

### **SIGNATURE PAGE**

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed by their authorized representatives as of this 14<sup>th</sup> day of February, 2018:

Ports America Washington, Inc.		
Ray McQuiston		
Senior Vice President		
Husky Terminal And Stevedoring, Inc	<b>:.</b>	
Keiji Kubo		
Chairman/CEO		

#### **APPENDIX A**

The names and addresses of the Parties are:

# **Tacoma Container Terminal**

Ports America Washington, Inc. 525 Washington Blvd., Suite 1660 Jersey City, New Jersey 07310

# **Husky Terminal**

Husky Terminal And Stevedoring, Inc. 1101 Port of Tacoma Road, Pier Four Tacoma, Washington 98421